

Federal Energy Regulatory Commission

§367.1310

earnings or make any other use of the amortization without authorization by the Commission.

OTHER PROPERTY AND INVESTMENTS

§367.1230 Account 123, Investment in associate companies.

(a) This account must include the book cost of investments in securities issued or assumed by associate companies and investment advances to the companies, including related accrued interest when the interest is not subject to current settlement, provided that the investment does not relate to a subsidiary company. (If the investment relates to a subsidiary company, it must be included in account 123.1, Investment in subsidiary companies (§367.1231).) Include in this account the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and dividend income (§367.4190).)

(b) This account must be maintained in a manner so as to show the investment in securities of, and advances to, each associate company together with full particulars regarding any of the investments that are pledged.

(c) Securities and advances of associate companies owned and pledged must be included in this account, but the securities, if held in special deposits or in special funds, must be included in the appropriate deposit or fund account. A complete record of securities pledged must be maintained.

(d) Securities of associate companies held as temporary cash investments are includible in account 136, Temporary cash investments (§367.1360).

(e) Balances in open accounts with associate companies that are subject to current settlement are includible in account 146, Accounts receivable from associate companies (§367.1460).

(f) The service company must write down the cost of any security in recognition of a decline in the related value. Securities must be written off or written down to a nominal value if there is no reasonable prospect of substantial value. Fluctuations in market value must not be recorded but a permanent impairment in the value of securities must be recognized in the ac-

counts. When securities are written off or written down, the amount of the adjustment must be charged to account 426.5, Other deductions (§367.4265), or to an appropriate account for accumulated provisions for loss in value established as a separate subdivision of this account.

§367.1240 Account 124, Other investments.

(a) This account must include the book cost of investments in securities issued or assumed by non-associate companies, investment advances to these companies, and any investments not accounted for elsewhere. This account must also include unrealized holding gains and losses on trading and available-for-sale types of security investments. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and dividend income (§367.4190).)

(b) The records must be maintained in a manner so as to show the amount of each investment and the investment advances to each person.

§367.1280 Account 128, Other special funds.

(a) This account must include the amount of cash and book cost of investments that have been segregated in special funds for insurance, employee pensions, savings, relief, hospital, and other purposes not provided for elsewhere. This account must also include unrealized holding gains and losses on trading and available-for-sale types of security investments. A separate account with appropriate title, must be kept for each fund.

(b) Amounts deposited with a trustee under the terms of an irrevocable trust agreement for pensions or other employee benefits must not be included in this account.

CURRENT AND ACCRUED ASSETS

§367.1310 Account 131, Cash.

This account must include the amount of current cash funds except working funds.